

[Melinda Davenport, WCAX News](#)

President Obama hopes to this week pass a sweeping finance reform bill that will change regulations and end bad lending practices from financial institutions. One of the lawmakers who was pivotal in developing the bill was in Vermont today.

Congressman Peter Welch invited Chairman of the Financial Services Committee Barney Frank to speak with small businesses across the State of Vermont. He thinks banks should be more responsible when it comes to credit.

"They said, because we don't have any capital... let's see if we understand this. You don't have any money. And your objection is, that we are preventing you from lending money that you don't have," said Rep. Barney Frank (D-Mass).

Credit lending is what lawmakers say Wall Street took advantage of -- to the demise of Main Street. On Tuesday, the U.S. House of Representatives will vote on the financial reform bill and Thursday will be the Senate's chance. Tasha Wallis of the Vermont Retail Association hopes it will open up credit to retailers in need. "Looser credit is definitely good for retailers. Retailers are always struggling and during the credit crunch, I've certainly heard from a number of retailers that are finding it harder and harder to get credit," Wallis said.

"We have a bill that is going to allow us to get the benefit of financial innovation, but diminish the negatives," Rep. Frank said.

Within the bill, lenders would no longer be able to make a loan without verifying that the borrower can repay it. Wallis hopes that this means banks will loan more to small Vermont businesses that are credit worthy. "Sometimes retailers take out loans for a variety of reasons, whether its purchasing inventory which might be a very short-term loan," Wallis said.

With the recent death of Senator Robert Byrd of West Virginia, Democrats are concerned about

passing the bill in the senate. "That's one less vote for the 60, I'm disappointed that the Republican party had taken a no, no, no -- I think they frankly don't want to see the President succeed," Rep. Frank said.

"In the Senate, every vote counts. So it does create a complication, but my understanding from my colleagues is that they think they'll have the votes," said Rep. Peter Welch.

So Vermonters and the state's small businesses will be watching, and waiting.